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Statement submitted by UNANIMA International, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 30 and 31 of Economic and Social Council resolution 1996/31.

* E/2010/100.

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Statement

Innovative sources of financing for development

Given the ongoing discussion on official development assistance to assist in financing for development and the constant request, which has not been met, for the developed industrialized countries to actually meet the goal of allocating 0.7 per cent of their gross national income for development needs, it seems clear that official development assistance will never be sufficient to allow for the financing of such things as the Millennium Development Goals, let alone the crises of health and climate change.

We believe, along with CIDSE and others, that innovative mechanisms are urgently needed to support action to tackle both of these needs. Ethical behaviour in justice requires that the countries that have primarily caused the various crises of the last decade contribute proportionally to the solution of these problems for those most affected.

Given the potential double benefits of addressing systemic issues and raising finances, we join those who promote the adoption of global taxes as innovative mechanisms to finance development.

For this reason, we want to call on the industrialized developed countries to work to accept such taxes and to use them to finance development and not to use them to meet the "business as usual" desires of those countries that have been responsible for the lack of development and the various crises in the first place.

We believe that the recently published reports by the International Monetary Fund and the European Commission on financial sector taxation, which assumes that any innovative sources of financing will be used to continue a "bail out" of those who caused the crises in the first place, should be rejected on two counts:

(a) It is urgent to put in place new sources of financing for development, such as the currency transaction tax of Spahn and the general financial transaction tax, with a dual role of raising funds for development and regulating effect on financial markets;

(b) The revenue from these sources should be for development and to meet the needs of those countries most vulnerable to the negative effects of this period.